

COUNCIL WORK MINUTES
MAY 18, 2016

The City Council held a meeting on Wednesday, May 18, 2016, at 5:30 p.m., in the Council Chambers, 10 North Main Street, Cedar City, Utah.

MEMBERS PRESENT: Mayor Maile Wilson; Councilmembers: Ron Adams; Paul Cozzens; Terri Hartley; Craig Isom; Fred Rowley.

STAFF PRESENT: City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; City Recorder, Renon Savage; Finance Director Jason Norris; Police Chief Robert D. Allinson; Police Lt. Darin Adams; Police Lt. Keith Millett; Fire Marshal Mike Shurtz; Public Works Director Ryan Marshall; Golf Director Jared Barnes; Golf Superintendent Steve Carter; Leisure Services/Events Director Bryan Dangerfield; Patrol Officers Isaac Askeroth, JR Robinson, Ryan Coleman, K, Jimal Liddiard, Kirk Lovell, Addison Adams, Zac Adams.

OTHERS PRESENT: Ron Lewis, Tom Jett, Doug Hall, Kevin Davis, Jordan Bracken, Andrew Fife, Ryan Rowley, Jordan Merrell, Josh Batt, Richard Batt, Dallin Leavitt, Brad Green, Wynn Isom, Rachel Mckinley, Oliver Klozoff, Kathy Kaminski, Candace Howes, Jessica Smith, Ashley Vanfleet, Jessica Robinson, Ryan Robinson, John David Vincent, Linda Wilson, Luke Roberts, John & Jan Foster, Enoch Seegmiller, Michael Spilker.

CALL TO ORDER: Reverend Montgomery of St. Jude's Church gave the invocation; the pledge was led by Scout Troop 373.

AGENDA ORDER APPROVAL: Councilmember Cozzens moved to approve the agenda order moving item #6 after #3; second by Councilmember Rowley; vote unanimous.

ADMINISTRATION AGENDA – MAYOR AND COUNCIL BUSINESS; STAFF COMMENTS: ■I ran into an employee that lives on Interstate Drive, that has become a straight street and needs enforcement, I have talked with Chief Allinson for enforcement. I also asked Kit to put signs up to warn of a dip on the street. ■Mayor & Ron Lewis - as part of our first Responder Appreciation Day held a few weeks ago, we did a proclamation declaring it the first Public Responders Recognition Date on May 7th. Chief Allinson and Fire Marshal Mike Shurtz were presented with a framed copy of the proclamation, one for Fire Department and one for the Police Department. ■Recognition of Ron Lewis. Chief Allinson & Fire Marshal Shurtz - we want to take a few minutes to recognize the event held on May 7th. Everyone loves firemen, not so much police officers. There are days I read headlines and feel the media and activists are waging war on our police officers, I get concerned on how it affects our officers. Then we have people like Ron Lewis that put it back into perspective. Retired Navy Captain Ron Lewis came wanting to make sure we embraced and participated in the public responder's recognition day. Our officer both Fire and Police were together to mingle with citizens and it was beneficial to us. It is heartwarming and appreciated that he would do that for

us. On behalf of the Police Department we want to give Ron a Challenge Coin it is very important to the Police Department. We also give him an appreciation patch. We appreciate what he has done for us. Mike Shurtz – not much to add, it was a neat event and were humbled to have people like Mr. Lewis support the Police and Fire Department. We also have a challenge coin we will present to Mr. Lewis. Ron Lewis – I have one in my pocket I carry every day as a reminder of those I served with in the Navy, especially those that are not accounted for. ■Ryan Marshall – We have in the tentative budget to purchase a new Solid Waste Truck, we have been contacted to purchase one now and get it in house immediately. If we wait until July 1st it will be the end of the year before we can get one. We do have the funds in Solid Waste; Jason will be bringing a revision in a few weeks that he will include. We can then put the old truck up for sale. ■Bryan Dangerfield – want to let you know the local organization and education committee for Tour of Utah have been in the schools and talking about the Road Respect, Friday from 5-7 at the top of the Parking Structure will be a bike rodeo with UDOT bringing bike helmets and t-shirts. We will have Tour of Utah, UDOT and Utah Bicycling Association there. ■Rick – yesterday we had a joint meeting with the Iron County School Board and in the past we have had the council approve a credit for watering leading up to the Summer Games. The School District wanted to know if we could do that again this year for the months of May and June for \$400 each month.

PUBLIC COMMENTS: ■Kevin Davis – thank the Council and City workers for the dead end sign on 2150 West.

CONSIDER A SINGLE EVENT PERMIT FOR A HORSE SHOE TOURNAMENT ON JUNE 4TH. CEDAR CITY ELKS: Candace Howes. We will do a horse shoe tournament. Last year we bought 60 pairs of shoes in conjunction with Shop with a Cop and for the Crisis Center. Consent.

CONSIDER A SINGLE EVENT PERMIT FOR FIRE ROAD ON JUNE 25TH. JORDAN BRACKEN: Jordan Bracken – I am bringing the Fire Road event back. We are doing a single event permit as we did last year. There is not as much participation, but we hope to bring it back up. We are in the process of notifying the Cedar Highlands HOA. Rowley – have there been any problems in the past? Chief Allinson – no, but these single events are for them to have alcohol present. Mayor – did we have problems with cones being taken? Bryan Dangerfield – yes we did, we will have more people watching and they will be placed at 3:00 a.m. Consent.

CONSIDER A SINGLE EVENT PERMIT FOR TOUR OF UTAH ON JULY 30 AND AUGUST 1ST. TOUR OF UTAH: Bryan Dangerfield – this permit will allow them to have a beer garden and to serve alcohol in their VIP tent like we did in 2012 and 2014. Consent.

CONSIDER AMENDMENTS TO THE ANIMAL CONTROL ORDINANCE: Paul Bittmenn – the proposal is to get rid of licensing requirement, the revenue amount is an indication that it is not being followed. We would leave it as an option; it helps Animal Control identify owners when they pick up an animal. The other thing is that the limit on

the animals would stay; we would define a secondary offense and exceeding the maximum number of animals is a secondary offense, they would not respond to a secondary offense, only cite if they are there for an additional offense. First fine \$50; second \$100; third would ask the court to allow us to remove the excess animals. All three citations would have to be issued in one year. If the third citation is in a year and 2 days it is only the second offense. Vaccines have to be current.

Chief Allinson – nothing to add, we looked this over and will make it workable. One concern is for the neighbor who has a problem with the dogs next door; it will make the neighbor feel like we are not helping them. That is the only drawback.

Tom Jett – we talked about the Police Department and the Fire Department, with no disrespect to Animal Control quite often they are not recognized. I recognize them; they found my dog and saved it from getting run over on the freeway. We recognize but don't acknowledge. The Police Department has it easy because the criminals are not always bright and confess, the animals don't know better. Our Animal Control has to make a lot of judgement calls. I believe the ordinance is the best solution we can have. We will never have a solution that will satisfy everyone. I want to say I support the compromise and I support Animal Control, it is a worthwhile and thankless job. There really aren't bad animals, there are bad owners.

Brad Green – I have been paying attention to the community on what has been said about Animal Control. We talked about the perception of the police; this creates enmity between the police and citizens. I have spoken to police officers about it, but it creates the police in conflict with citizens. An unenforceable law becomes immoral. The ordinance does not have any moral authority; I can't do anything unless there is harm to me. I would hope there is due process before anything is done to the animal. I believe it should be repealed completely.

Kathy Kaminski – I wanted to reflect on what happened last week, I listened to the Chief and Officer Nowland loud and clear. I want to keep animals out of the shelter. I took away the sincerity and drive of the officers and them wanting to mingle with the public and use their discretion. I had a similar experience with a neighbor's animal that kept getting out and coming to my house, they had a tone fence and eventually it solved the problem. Officer Brandon gets a call, the officer talks with the owner and communicates with them, there is no I am the law, find out what is going on and then go back to the neighbor and explain it. We are the government and we do have rights, for me to have someone complain and then they are forced to give a citation. Mayor – they are still allowed discretion, only if he cites does the fine come into play. Kathy – it is not automatic? Mayor – no, it makes it easier on everyone. We worked with the Chief and everyone on the ordinance; it gives some guidelines, but still allows discretion. There were so many ideas tossed around last week. Kathy – I want to applaud Tina Garrison, she has worked so hard to rehome, adopt or pet rescue animals. Mayor – this still gives them discretion. Action.

FISCAL YEAR 2014-15 AUDIT PRESENTATION. HINTON BURDICK: Mike Stoker – June 30, 2015 FY audit. There are quite a few things with this report that are different. Todd Hess, the Audit Manager was unable to be here. As usual we issue our opinion and with a local government audit we audit the financial statements, underlying numbers, foot notes, disclosures and other information to verify that they are put together correctly. We are also required to look at compliance with laws and regulations and issue a report. The financial statement is page 1-3, there is an emphasis of matter, the fact that the City implemented government standards #68, that is the main reason for this year's delay. Also we had to do a special federal single audit and passenger facility charge new to the City. We went back to FY 13, 14, & 15, the compliance is in the back of the audit, pages 79-80 which summarizes the findings. With the single audit there were no material weaknesses or deficiencies with federal regulations, which is a good result for a new requirement. We did issue findings and recommendations with the audit; the City has completed its response. There are some new findings, each year the State Auditors decide to focus on new laws and regulations and the state issues new laws, there are 3 or 4 new findings because of those. There was a finding on passenger facilities charges for 2015. Rowley – on open and public meetings act, where did we fail because we are good with that? Mike – I don't know, if there is one instance no matter how minor we are required to report. Jason – one meeting we didn't get 7 days' notice, and it was in general instances not having it up within 3 days.

Mike – There are some highlights with the financial statement. The total net of the City, \$340.6 million June 30, 2015, that is all activities of the city, general fund and utilities. The general fund ending balance was \$3.9 million which is 23% of the total general fund budgeted expenditures. Total long term debt decreased \$2.7 million. One indication of the financial health is the change and the last bullet increased by \$72,000 after a \$2.9 million adjustment. Business activities increased \$2.6 million. On page 8 of the audit you can see a comparison on a full accrual, \$23.7 million 2015 \$21.7 million for 2014. Rowley – is that healthy or unhealthy? Mike – it could be grants received or other things that fluctuate, and it is not unusual. The expenditures are consistent, general government is down.

I wanted to point out something that a recap of the income statement for all the city's utility funds, look in the middle and operating income, all of those enterprise funds are reporting positive operating income that is a positive significant thing for the City. You need to be planning for depreciation. With the governmental activities, the general fund brought in \$17.1 million, \$778,000 more than anticipated. Actual expenditures were \$13.3 million \$41.3 million less than the city budgeted.

GASB 68, net pension liability, beginning balances \$3.4 million for all governmental activities, and ending at \$2.6 million. About 4 lines from the bottom \$589,000 added for the utility funds. The restatement adjustment is page 61, we added assets \$509,806 and net pension liability for \$3.422 million. Something to think about is what does it really mean, how does it affect what we do going forward. The GASB 68 has no effect on required contributions, it has always been there, it was in the footnotes, and this just highlights it. The disclosure shows that the State Retirement System is better off than a

lot of states we work with, the net pension liability, the do an actuarial value and then look at the assets they manage and off set it from the liability. The City takes their share based on the contributions made each year and that is the \$3 million dollars. That is based on the estimate the state decided to use with a discount rate of 7.5%. If the actual rates is 7.5% your liability is \$3 million, but if 6.5% then the liability goes up or if they do better at 8.5% the City has an asset of \$1,120,000. Next year we will bring a 10 year history and show how they go up and down. It is not a liability that you have to budget, the State is supposed to manage that plan.

Hartley – the liability is always added back in if they bond, so it has no affect. Mike – bonding agencies know the liability and your bond ratings will not go down.

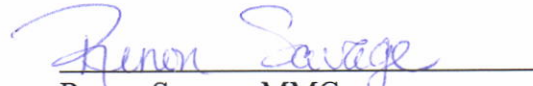
Cozzens – on the impact fees we are holding more than 6 years? Kit – we can hold it through a resolution. Cozzens – is that we this is talking about? Jason – we will come back to council with the use of some of the fees. Paul – the resolution there are requirements with State law. Rick – identify what we are using it for. Rowley – we are saving for a water tank? Paul – more complex than that. Rick – the important thing is most of the projects you use impact fees for are large ticket items, and in order to have the funds it takes more than 6 years to get there, especially with the past 4-5 years of building. We will meet the requirements. Isom – no material weaknesses, and points raised are not game breakers? Mike – material weakness and significant deficiencies are different, there are no material weaknesses but there is a significant deficiencies on financial reporting. Isom – it is taken care of? Jason – yes, we had turnover and got behind on deadlines we don't want treasurer doing cash receipting during audit season. We budgeted for a part-time employee that will help. Mike – we audit 72 local governments, and most have that finding, it is a common thing.

CONSIDER TRANSFER OF RAP TAX FUND FROM PROPOSED PAVILION TO IRRIGATION. JARED BARNES:

Jared Barnes – last year's RAP Tax; we have major irrigation problems, we were allocated \$180,000 to get started and got through phase 1. When RAP tax we had that funding so we looked elsewhere and were allocated money for a pavilion which is needed, we have seating for about 50 tight and we had 116 that played. It is nowhere near the priority of the irrigation system. We have \$81,289 allocated; a small portion was going toward Jr. Golf equipment that we can take into the schools during the winter. We want to keep \$1,289 for that, but ask that you consider moving the \$80,000 for a pavilion be used for irrigation. Rowley – will this bring down the wrath of the RAP committee, but we can do it. Jason – possibly. Paul – you can do it. Cozzens – is it State law that we have to spend the money within the year. Paul – no, it is our ordinance. Cozzens – would it be helpful to hold money and earmark to a larger purchase/projects. Paul – Salt Lake County saves for 2 or 3 years. Jared – on the irrigation, at a point you will connect old stuff to new stuff, you just have to do it. Rowley – could you purchase two 12 x 12 temporary canopies for now? Jared – yes, we have a few ideas, and it will be nice when we have it, but we use it 10 times a year. Doug Hall – I want to see a copy of the master plan for the irrigation system, the current hard looks at golf courses, I want to look at the most efficient golf course. Jared – I would be happy to get that. Many studies have been done and golf is a good water conservation

group. I agree, nights we water now we are using 75,000 gallons less than we were before. Consent.

ADJOURN: Councilmember Hartley moved to adjourn at 6:40 p.m.; second by Councilmember Isom; vote unanimous.


Renon Savage, MMC
City Recorder